## REMARKS

There are now pending in this application claims 1-6, 16 and 17, of which claim 1 is independent. Claims 16 and 17 are newly added. No claims have been cancelled.

The invention as set forth now in independent claim 1 is directed to a sheet stacking apparatus which comprises a first tray and a second tray. The first tray is the one onto which sheets are discharged from an outlet are stacked and which is movable between a stacking position at which the sheets discharged from the outlet are stacked and a first retracted position above the outlet. The second tray is one on which the sheets discharged from the outlet are stacked, and is disposed below the first tray, the second tray being movable between a stacking position at which the sheets discharged from the outlet are stacked when the first tray is at the first retracted position and a second retracted position below the stacking position. The invention also includes a controller that controls movement of the first tray and the second tray independently of each other and is characterized in that when the sheets are to be stacked onto the first tray, the controller stops descending movement of the second tray when a moving distance of the second tray reaches a predetermined distance which is set so that the top surface of the sheets stacked on the second tray do not interfere with the first tray which is in the stacking position.

Claims 2-6, 16 and 17 are dependent claims which incorporate additional features of the invention as recited in claim 1.

Independent claim 1 was rejected under 35 U.S.C. § 102(a) as being anticipated by Yamada et al. (U.S. Patent No. 6,494,453). In view of the above amendments and the following remarks, the rejection is respectfully traversed.

Yamada et al. is directed to a method and apparatus of output sheet handling and is said to be capable of effectively switching ejection between different trays. Yamada et al. discloses a finishing apparatus which is equipped with ejection trays 1,2 for receiving recording sheets ejected from an outlet E2 (see, Figures 1 and 2). In the apparatus, the ejection tray 1 is moved to a receiving position for the output E2, the ejection tray 2 is moved to a lower standby position at which a top surface of the sheet is detected by a tray sensor SN8 and the tray 2 is stopped. (See, column 9, lines 27-32 and column 9, lines 44-47). In Yamada et al., if an end of a sheet leans on a stacker wall where the sheet is stuck on a sensor flag projecting from the stacker wall, the sheet cannot be detected at the correct sheet position. As a result, the tray will descend lower than the correct sheet position.

In contrast, in the present invention, when sheets are to be stacked onto a first tray, a controller stops descending movement of a second tray when the second tray reaches the predetermined distance which is set so that a top surface of the sheets stacked on the second tray does not interfere with the first tray which is at a stacking position. As a result of this configuration, the second tray is controlled to be stopped regardless of the detection of a top surface of the sheet stacked thereon. Thus, the second tray can descend and stop at a correct sheet position without regard to the state of the top surface of the sheets, and it takes a short time to end the descending movement of the second tray while keeping a sheet position required for maintaining standby of the second tray.

Applicants respectfully submit therefore that independent claim 1 is clearly distinguishable from Yamada et al.

Applicants have reviewed the secondary reference of record which was applied against claims 3 and 5 and respectfully submit that such reference does not meet the above-discussed shortcomings of Yamada et al. Accordingly, Applicants respectfully submit that independent claim 1 is patentable over the applied art of record.

The remaining claims in the above application depend from claim 1 and are therefore patentable over the art of record for reasons noted above with respect to claim 1. In addition, each recite features of the invention still further distinguishing it from the applied art. Favorable and independent consideration thereof is respectfully sought.

Lastly, claim 6 was rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. As the Examiner will appreciate that the objected to language has been removed and the claim reworded to overcome the aforementioned rejection. Accordingly, withdrawal of the rejection under § 112 is respectfully sought.

Applicants respectfully submit that this application has been placed in condition for allowance. Favorable reconsideration and early passage to issue of the above application is respectfully sought. Applicants' undersigned attorney may be reached in our Washington, D.C. office

by telephone at (202) 530-1010. All correspondence should continue to be directed to our below

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Respectfully submitted,

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